



The city is conducting this public meeting using a hybrid model. The public is welcome to attend tonight's meeting in-person at City Hall (Council Chambers), or virtually by using the meeting access link below.

<https://sumnerwa-gov.zoom.us/j/83037506011>

Or One tap mobile :

+12532158782,,83037506011# US (Tacoma)

+12532050468,,83037506011# US

Or Telephone:

Dial +1 253 215 8782 US (Tacoma)

Webinar ID: 830 3750 6011

CALL TO ORDER

Roll Call: Bitetto, Brown, Cole, Hochstatter, Neuman, Reed and Stuard

REGULAR BUSINESS

1. Affordable Housing Update

CITY ADMINISTRATOR REPORT

AGENDA SETTING

1. Council Meeting Agenda Calendar
2. Council Committee Meeting Calendar

EXECUTIVE SESSION

ADJOURNMENT

This meeting is accessible to persons with disabilities. For individuals who may require special accommodations, please contact the City Clerk at (253) 299-5590, 24 hours in advance.



SUBJECT: Affordable Housing Update

CATEGORY: Information Only

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Affordable Housing
-

STAFF CONTACT: Ryan Windish, Community Development Director

SUMMARY BACKGROUND:

The City is undergoing a required update to the City's Comprehensive Plan and recent state legislation has placed additional requirements on cities to accommodate affordable housing for a full range of income levels. Staff will be presenting an overview of affordable housing definitions and background, summarizing the work the City has done to make housing more affordable in Sumner, and presenting the affects that the new state laws will have on how many housing units the City will be required to accommodate in the next 20 years.

COUNCIL COMMITTEE/STUDY SESSION: MEETING/STUDY SESSION DATE: COMMITTEE RECOMMENDATION: N/A
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STAFF RECOMMENDATIONS/MOTION:

N/A

Affordable Housing

2024 Comprehensive Plan Update



Objectives

- Provide context and background on upcoming affordable housing policy
- Learn how new state law (HB1220) changes GMA requirements for affordable housing and;
- How that affects the number of housing units Sumner is required to plan for over the next 20 years.

What is “affordable housing”?

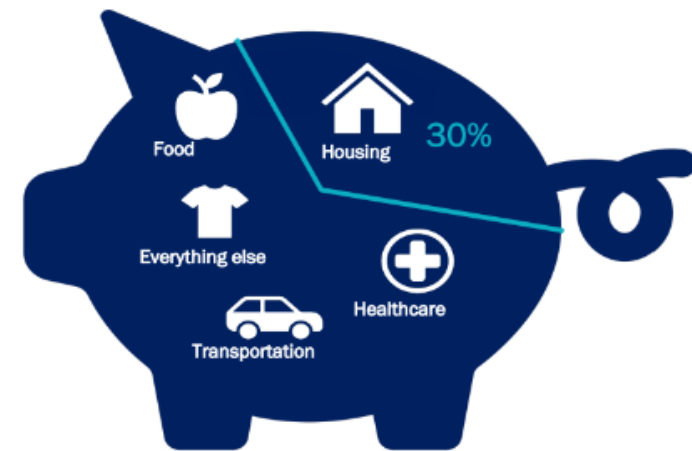
Rental Housing: Household spends no more than 30% of their monthly income for rent and utilities, other than telephone;

For homeownership: Household spends no more than 38% of the monthly income on mortgage, taxes, homeowner’s insurance, and fees. Total household debt is no more than 45% of monthly income. (RCW 39.33.015(8))

Affordable housing is more difficult to attain with lower household incomes. Most affordable housing programs focus on households earning 80% or less of the Area Median Income (AMI). Tacoma/Pierce County AMI is: \$85,500

80% AMI is : \$68,400

What is Affordable Housing?



A home is **affordable** when the total housing costs (rent or home payment/dues + utilities) do not exceed **30% of the gross household income**.

Housing Action Plan - 2021

- Housing Needs Assessment showed need for affordable housing in Sumner
- 14 Prioritized Actions
- Incentives for affordable housing
- Increasing housing capacity
- More senior housing options
- Update ADU code
- Expand Multifamily Tax Exemptions



SUMNER - RENTER

Cost Burdened
37%

Severely Cost Burdened
13%

SUMNER - HOMEOWNER

Cost Burdened
12%

Severely Cost Burdened
13%

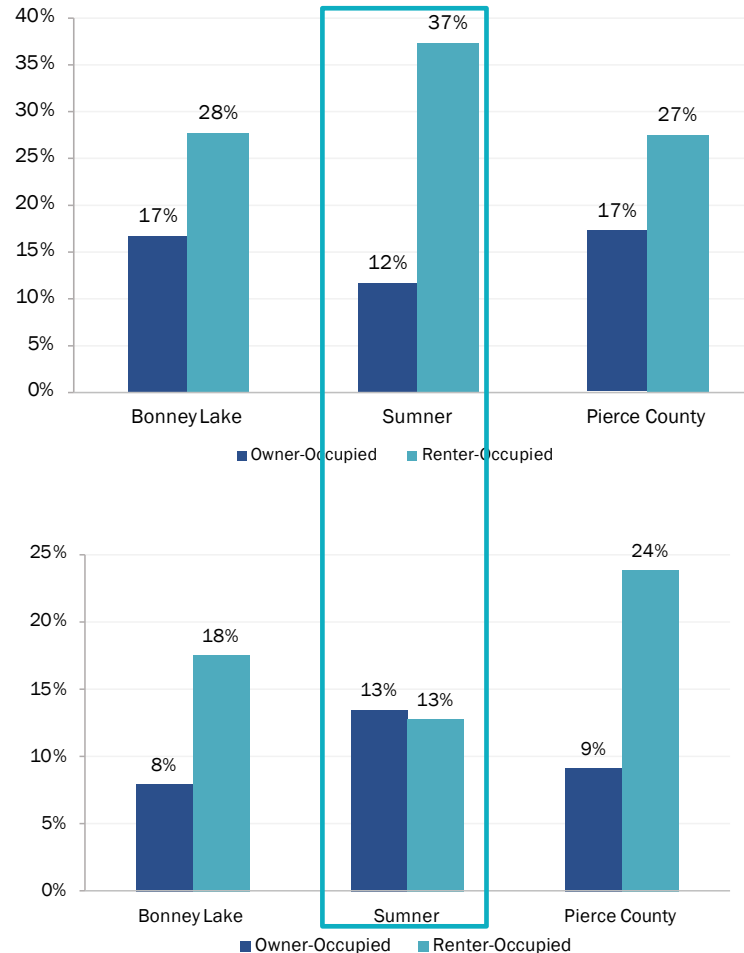


Overall Cost-Burdened in Sumner:

37%

Overall, 37% of Sumner residents are cost burdened. However, only 13% of owners and renters are severely cost burdened.

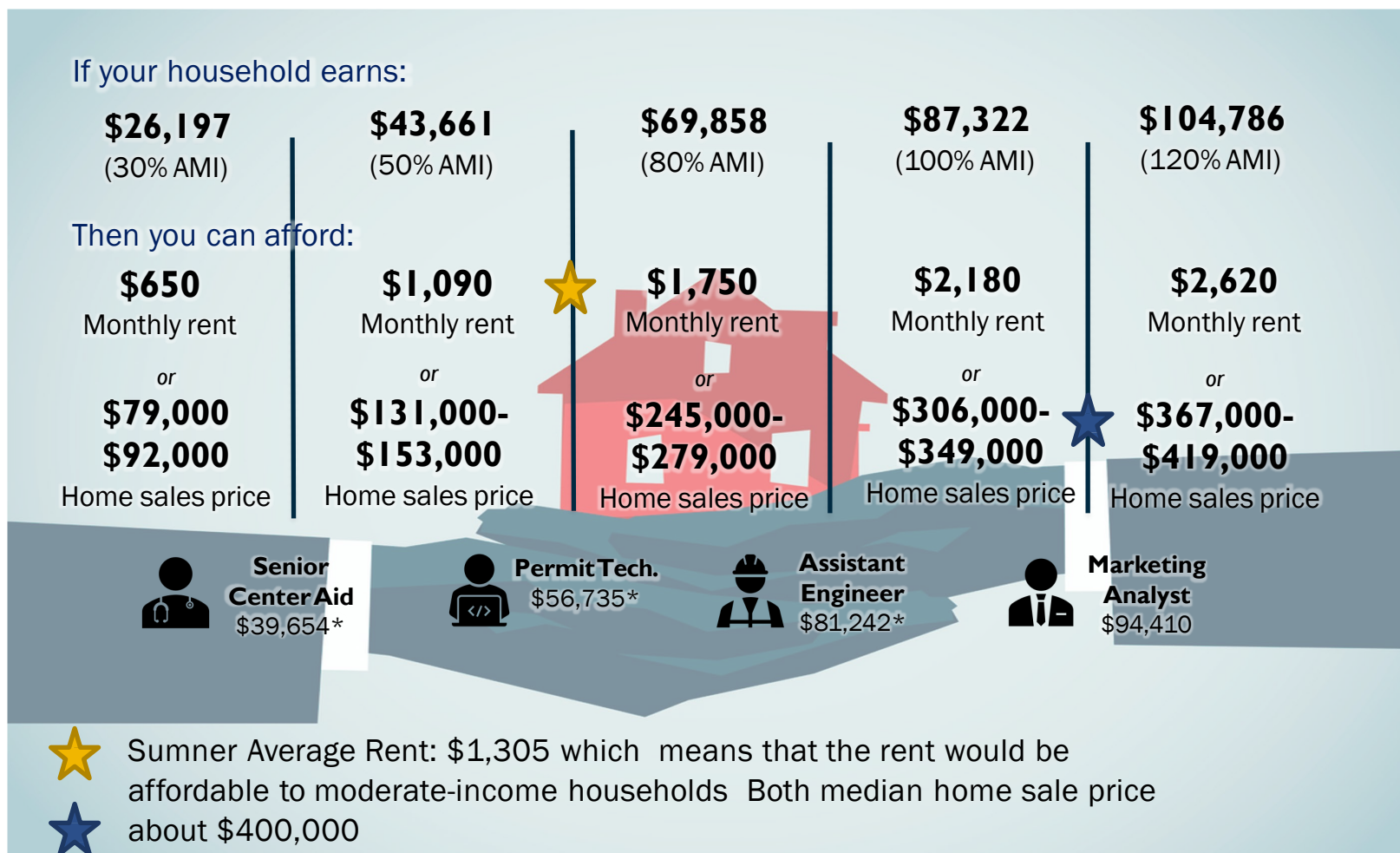
Cost-Burdened Households



Cost Burden: Pay more than 30% of their gross household income for housing.

Severely Cost Burdened: Pay more than 50% of their gross household income for housing (rent or mortgage, plus utilities).

Source: U.S. Census 2014-2018 ACS 5-Year Estimates. Notes: Cost burdening for owner-occupied households is not terribly common because mortgage lenders typically ensure that a household can pay its debt obligations before signing off on a loan. However, cost burdening can occur when a household secures a mortgage and then sees its income decline. Also, it is important to note that households with incomes over 100% of AMI are less burdened overall since their larger income will go farther to cover non-housing expenses such as transportation, childcare, and food. Cost burden does not consider accumulated wealth and assets.



2023

Fair Market Rents

Studio - \$1,174

1 - Bedroom - \$1,308

2 - Bedroom - \$1,643

3 - Bedroom - \$2,335

Source: HUD

2023

Median House Sales Price:

\$574,500

Source: Realtor.com

Sources: Pierce County Assessments Department, 2020, CoStar, Occupational Employment Statistics, 2019, and Tacoma, WA HUD Metro FMR Area for AMI values, 2020 (based on a family of four). Note: All values are in 2019 inflation-adjusted dollars. *City of Bonney Lake Staff Pay Scale, 2020, mid point of salary range. Teacher wages are for middle school teachers.

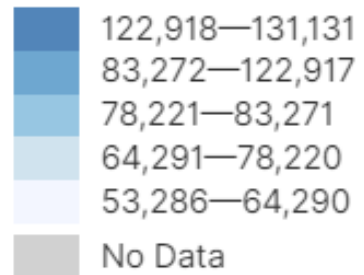
2023 and 2024 Fair Market Rents, Tacoma Metro Area

Final FY 2024 & Final FY 2023 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2024 FMR	\$1,430	\$1,603	\$1,987	\$2,800	\$3,236
FY 2023 FMR	\$1,174	\$1,308	\$1,643	\$2,335	\$2,740

Source: HUD Fair Market Rent Documentation System

2021 Median Household Income by Block Group

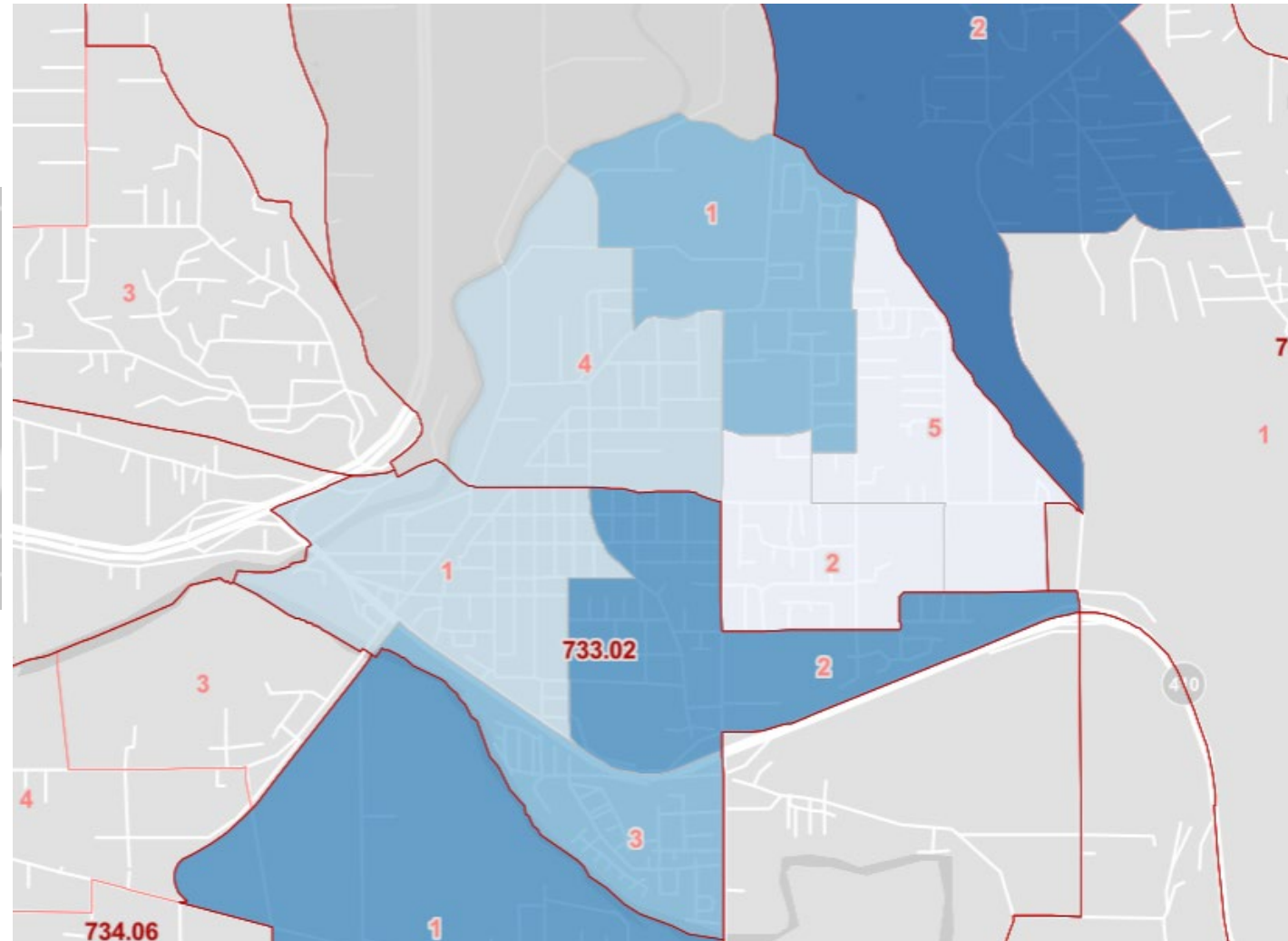
Median household income in the past 12 months (in 2021 inflation-adjusted dollars) --



1
2
2
2
2
1

Year: 2021

Geographies: 10

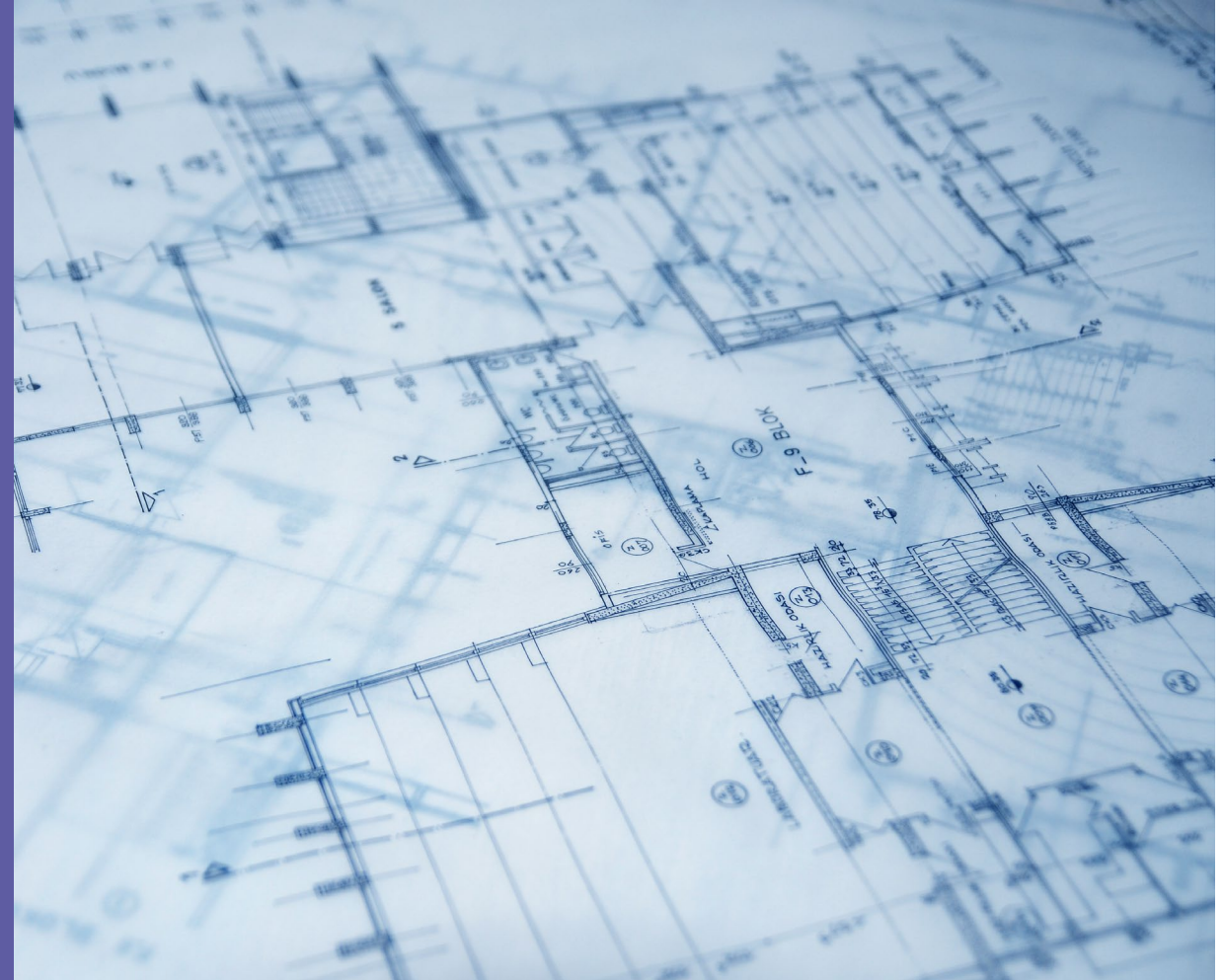


Source: US Census Bureau

South Sound Housing Affordability Partnership (SSHA³P)

- Coalition of Pierce County and cities to focus on affordable housing
- Policy development and review
- Legislative advocacy
- Capital projects to build or buy housing
- Use of HB 1406 funds toward capital projects

SSHA³P



Growth Management Act

Goal 4: Housing

Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock. (RCW 36.70A.020)



Washington State Housing Needs

Future housing needs broken down by area median income (AMI) groups



1.1 Million new homes will be needed in the next 20 years

In addition, there will also need to be:

91,357 Emergency housing beds (temporary housing)

Housing and Land Use: Requirements



Several State bills related to housing and land use passed over the past few years.



The Pierce County Countywide Planning Policies and VISION 2050 emphasize equity, growth near transit, housing options, homeownership opportunities, infill development, anti-displacement, and climate resilience.

Housing and Land Use: HB1220

Housing Affordable to All Income Bands

- Requires cities to determine whether City zoning and available land can accommodate 2044 housing growth targets for all income levels, and to assess barriers to housing affordability
- Requires cities to adjust zoning and policies to meet the capacity needs and reduce barriers

Racially Disparate Impacts, Exclusion, and Displacement

- Requires cities to identify policies that result in racially disparate impacts, displacement, and exclusion in housing
- Requires cities to identify and implement policies that address and begin to undo these impacts and that prevent displacement

Special Housing Needs

- Requires cities to allow permanent supportive housing, transitional housing, emergency housing, and emergency shelters
- Limits the restrictions that cities can place on these uses



Sumner Adopted Housing Targets (Countywide Planning Policies)

Permanent Housing Needs by Income Level (% of Area Median Income)

	Total	0-30%	0-30%	>30-50%	>50-80%	>80-100%	>100-120%	>120%
		Non-PSH*	PSH*					
Est. Supply (2020)	4,492	73	0	445	1334	1049	518	1,073
	100%	2%	0%	10%	30%	23%	12%	24%
Allocation (2020-2044)	1,985	256	347	368	291	125	114	484
	100%	6%	8%	8%	6%	3%	3%	11%

*Permanent Supportive Housing

Housing Capacity and Targets – EIS Alternatives

Median Income	Alt 1: No Action-Capacity Deficit	Alt 2: Capacity Surplus	Alt 3: Capacity Surplus
0-30% PSH	-977	781	312
0-30% Other			
30-50%			
50-80%			
80-100%	1614	3575	2152
100-120%			
120%+	793	323	296
Totals	1430	4679	2760

EIS and Alternatives

- **ALTERNATIVE 2**

- Affordability incentives in Town Center and East Sumner
- Two units allowed on all residential lots (not an option, required by State)
- Two ADUs allowed per lot (not an option, required by State)
- Small apartments allowed in all MDR and HDR, not just East Sumner
- Higher densities in MDR
- Four units allowed on larger lots in LDR 8.5 and LDR 12
- Policy support for religious organizations to build affordable apartments
- Most housing growth in Town Center and East Sumner, but also other areas as middle housing and on reclaimed mine site

- **ALTERNATIVE 3**

- Mandatory affordability in Town Center and East Sumner
- Higher densities in MDR (but not as high as Alt 2)
- Four units on larger lots in LDR 8.5 and LDR 12 (but only if one is affordable)
- Most housing growth in Town Center and East Sumner, but also other areas as middle housing

Next Steps

- Completing housing policy and housing element drafting (Fall 2023)
- Discussions with Planning Commission (Fall 2023)
- Complete Draft Comprehensive Plan (March 2023)
- Draft Environmental Impact Statement (EIS) (March 2023)



Questions

CA – CONSENT AGENDA	ES – EXECUTIVE SESSION	NB – NEW BUSINESS
UB – UNFINISHED BUSINESS	P – PRESENTATION	PH – PUBLIC HEARING PR – PROCLAMATION

OCTOBER 2 RCM**OCTOBER 9 SS**

- Council Vacancy Process
- PD Update

OCTOBER 16 RCM

NB Ordinance No. 2872 – 2023/2024 Budget Amendment (3rd Quarter)
NB Planning Commission Appointment (LaMear)

OCTOBER 23 SS

- Sound Transit Construction Update
- Property Tax
- Parks and Trail Plan
- Legislative Agenda

OCTOBER 30 (No Meeting)**NOVEMBER 6 RCM**

PR Native American Heritage Month
PH Property Tax

NOVEMBER 13 SS

- Utility Rate Study

NOVEMBER 20 RCM

NB Ordinance No. XXXX – Setting the 2024 Ad Valorem Property Tax Rate

NOVEMBER 27 SS

- Utility Rate Study

DECEMBER 4 RCM

NB Ordinance No. XXXX – Utility Rate Study
NB Planning Commission Appointment (Peters)

DECEMBER 11 SS

- Mid Biennial Budget Amendment

DECEMBER 18 RCM

NB Ordinance No. XXXX – Mid Biennial Budget Amendment

CITY COUNCIL AGENDA CALENDAR**Updated September 19, 2023**

CA – CONSENT AGENDA	ES – EXECUTIVE SESSION	NB – NEW BUSINESS
UB – UNFINISHED BUSINESS	P – PRESENTATION	PH – PUBLIC HEARING PR - PROCLAMATION

DECEMBER 25 SS (No Meeting)**JANUARY 2 RCM (Tuesday)**

P Swearing In of New Councilmembers
 NB Deputy Mayor Selection
 NB Council Committee Selections
 NB Council Regional Committee Selections

Pending

MISC.	MISC.	WHITE RIVER RESTORATION PROJECT
Municipal Court ILA	Ordinance – Refuse Collection (Code Enforcement)	BNSF Agreement
CA State Homeland Security Program Grant Acceptance for Small Unmanned Aerial System	Bond Issuance for Operations Facility	Ordinance No. XXXX - Surplus of Real Property South of 24th Street (Andrea M.)
Ordinance Insurance Requirements	Temporary Use Permit – Food Trucks	
Sign Code Update (off premise)	WWTF ILA	
CTR Ordinance Update	Ordinance No. 2839: Pretreatment Code Update	
Utility Base Fee Code Update	Emergency Management Presentation	

FEBRUARY

- Mid Biennial Department Updates

SEPTEMBER 2023

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2
4	5	6	7	8	9
CITY HALL CLOSED HOLIDAY	4:00PM Public Works Committee (Hybrid) 6:00PM - **CANCELLED** Regular Council Meeting	5:30PM **CANCELLED** Finance Committee	6:00PM Planning Commission (Hybrid)		
11	12	13	14	15	16
6:00PM Study Session (Hybrid)		6:30PM **CANCELLED** Design Commission	4:30PM Forestry/Parks Commission (Hybrid)		
18	19	20	21	22	23
6:00PM Regular Council Meeting (Hybrid)		5:30PM Public Safety (Hybrid) 6:30PM Design Commission Special Meeting (Hybrid)	6:00PM Planning Commission Study Session (Hybrid)		
25	26	27	28	29	30
6:00PM Study Session (Hybrid)		5:00PM CD Committee (Hybrid)	5:30PM Cultural Arts Commission (Hybrid)		

*Meeting dates and times may change. Please contact City Hall to confirm this information prior to any meeting you plan to attend. **These meetings are accessible to persons with disabilities.** For individuals who require special accommodations, please contact City Hall at (253) 299-5500, 24 hours in advance.*

Name: Michelle Converse, CMC

Title: City Clerk

City of Sumner
1104 Maple Street
Sumner, Washington 98390
Ph: (253) 299-5500
www.sumnerwa.gov

OCTOBER 2023

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
2	3	4	5	6	7
6:00PM Regular Council Meeting (Hybrid)	4:00PM Public Works Committee (Hybrid)	5:30PM Finance Committee (Hybrid)	6:00PM Planning Commission (Hybrid)		
9	10	11	12	13	14
6:00PM Study Session (Hybrid)		6:30PM Design Commission (Hybrid)	4:30PM Forestry/Parks Commission (Hybrid)		
16	17	18	19	20	21
6:00PM Regular Council Meeting (Hybrid)		5:30PM Public Safety (Hybrid)			
23	24	25	26	27	28
6:00PM Study Session (Hybrid)		5:00PM CD Committee (Hybrid)	5:30PM Cultural Arts Commission (Hybrid)		
31	31				

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